

FIRST REGULAR SESSION

SENATE BILL NO. 101

96TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR PARSON.

Read 1st time January 12, 2011, and ordered printed.

TERRY L. SPIELER, Secretary.

0733S.011

AN ACT

To amend chapter 407, RSMo, by adding thereto one new section relating to home exterior contractors, with penalty provisions.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Chapter 407, RSMo, is amended by adding thereto one new section, to be known as section 407.725, to read as follows:

407.725. 1. As used in this section, the following terms mean:

(1) "Residential contractor", a person or entity in the business of contracting or offering to contract with an owner or possessor of residential real estate to repair or replace roof systems or perform any other exterior repair, replacement, construction, or reconstruction work on residential real estate;

(2) "Residential real estate", a new or existing building constructed for habitation by one to four families, including detached garages;

(3) "Roof system", includes roof coverings, roof sheathing, roof weatherproofing, and insulation.

2. A residential contractor shall not advertise or promise to pay or rebate all or any portion of any insurance deductible as an inducement to the sale of goods or services. As used in this section, a promise to pay or rebate includes granting any allowance or offering any discount against the fees to be charged or paying the insured or any person directly or indirectly associated with the property any form of compensation, gift, prize, bonus, coupon, credit, referral fee, or other item of monetary value for any reason, including but not limited to permitting the residential contractor to display a sign or any other type of advertisement at the insured's premises.

59 performed by the contractor, will be returned to you within ten
60 business days following receipt by the contractor of your cancellation
61 notice.

62 I HEREBY CANCEL THIS TRANSACTION

63 _____

64 (date)

65 _____

66 (insured's signature)".

67 5. Within ten days after a contract referred to in subsection 3 of
68 this section has been cancelled, the contractor shall tender to the
69 owner or possessor of residential real estate any payments, partial
70 payments, or deposits made and any note or other evidence of
71 indebtedness. If, however, the contractor has performed any
72 emergency services, acknowledged by the insured in writing to be
73 necessary to prevent damage to the premises, the contractor shall be
74 entitled to the reasonable value of such services. Any provision in a
75 contract referred to in subsection 3 of this section that requires the
76 payment of any fee for anything except emergency services shall not be
77 enforceable against the owner or possessor of residential real estate
78 who has cancelled a contract pursuant to this section.

79 6. A residential contractor shall not represent or negotiate, or
80 offer or advertise to represent or negotiate, on behalf of an owner or
81 possessor of residential real estate on any insurance claim in
82 connection with the repair or replacement of roof systems, or the
83 performance of any other exterior repair, replacement, construction,
84 or reconstruction work.

85 7. Any violation of this section by a residential contractor shall
86 be considered a violation of section 407.020 and subject to the penalties
87 prescribed by section 407.020.

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